



2023-24 REPORT

Receipts and Expenditures of Lottery

California Community Colleges Chancellor's Office | Sonya Christian, Chancellor



California
Community
Colleges

SONYA CHRISTIAN
Chancellor

May 7, 2025

Secretary of the Senate
Erika Contreras
State Capitol, Room 305
Sacramento, CA 95814

**RE: California Community Colleges Receipts and Expenditures of Lottery Proceeds for
Fiscal Year 2023-24**

Dear Secretary Contreras,

Pursuant to Section 24.60 of the Budget Act of 2023, please find enclosed the summary of lottery receipts and expenditures as reported by our local community college districts for the 2023-24 fiscal year.

If you have questions about this report, please contact Chris Ferguson, Executive Vice Chancellor of Finance and Strategic Initiatives, at Chris.Ferguson@CCCCO.edu.

Sincerely,

A handwritten signature in black ink that reads "Sonya Christian". The signature is fluid and cursive, with the first name "Sonya" and last name "Christian" clearly legible.

Sonya Christian, Chancellor

Enclosure: Report

CC:
Office of the Governor
Sue Parker, Chief Clerk of the Assembly
Office of Legislative Counsel

RECEIPTS AND EXPENDITURES OF LOTTERY PROCEEDS FISCAL YEAR 2023-24

Prepared By

California Community Colleges Chancellor's Office

College Finance and Facilities Planning Division

EXECUTIVE SUMMARY

Control Section 24.60 of the Budget Act of 2023 mandates that the California Community Colleges Chancellor's Office report to the Governor and Legislature on the amount of lottery funds received by community college districts and how those funds were spent.

Community college districts in California receive a proportional share of lottery funds based on the prior year's full-time equivalent student (FTES) workload. For the 2023-24 fiscal year, districts collectively received \$366.7 million in lottery revenues, including both restricted and unrestricted funds. In 2022-23, total FTES was 1,120,672¹, equating to approximately \$327 in lottery revenue per FTES. These funds, combined with a beginning balance of \$190.0 million, provided districts with a total of \$556.7 million in available lottery revenue for the fiscal year. Of this amount, \$342.3 million was expended, leaving an ending balance of \$214.4 million (see Table 1). A detailed breakdown of receipts and expenditures is provided in Tables 2 and 3.

Senate Bill 820 (the budget omnibus bill) and Assembly Bill 2884 expanded the definition of "instructional materials" and broadened the scope of allowable lottery fund uses. The revised definition now includes essential resources such as laptops and hotspots for students, teachers, and faculty, as well as student support services like housing and food assistance, along with direct student aid. During the 2023-24 fiscal year, districts reported using \$1.1 million under this expanded framework (see Table 4).

Additionally, districts received over \$4.7 billion in one-time federal funding, primarily intended for direct student aid, with a portion allocated to institutional operations and support in response to the COVID-19 pandemic. To comply with federal spending deadlines, most districts prioritized the use of federal stimulus funds while preserving lottery funds for future needs. As federal stimulus funds are fully exhausted, lottery revenue is expected to become an increasingly important financial resource for districts.

Moreover, federal restricted funds decreased from 8.4% of overall general funds in 2021-22 to just 3% in 2023-24, further emphasizing the growing reliance on lottery funds as a critical financial resource for community colleges (see Figure 5).

LOTTERY DATA

Table 1: 2023-24 Lottery Balance Summary

Source	Unrestricted	Restricted (Prop 20)	Total
Adjusted Beginning Balance	\$17,307,632	\$172,698,703	\$190,006,335
Lottery Proceeds	246,682,015	120,074,981	366,756,996
Total Lottery Funds Available	263,989,647	292,773,684	556,763,331
Less Total Expenditures	244,505,993	97,810,714	342,316,707
Ending Balance, June 30, 2024	\$19,483,654	\$194,962,970	\$214,446,624

1 Final 2022-2023 FTES reported as of October 18, 2024

Table 2: 2023-24 Lottery Expenditures–Unrestricted

Expenditure Type	Instructional Activities	Support Activities	Other Activities ¹	Total	Percent of Total
Salaries and Benefits	\$15,125,102	\$52,111,484	\$24,529	\$67,261,115	27.5%
Supplies and Materials	186,033	1,940,135	450,822	2,576,990	1.1%
Operating Expenses and Services	1,687,405	149,713,955	17,536,412	168,937,772	69.1%
Other Expenses ²	1,525,948	4,201,028	3,140	5,730,116	2.3%
Total Expenditures	\$18,524,488	\$207,966,602	\$18,014,903	\$244,505,993	100.0%

Table 3: 2023-24 Lottery Expenditures–Proposition 20 (Restricted)

Expenditure Type	Instructional Activities	Percent of Total
Supplies and Materials	\$63,041,581	64.5%
Operating Expenses and Services	15,862,789	16.2%
Other Expenses	18,906,344	19.3%
Total Expenditures	\$97,810,714	100%

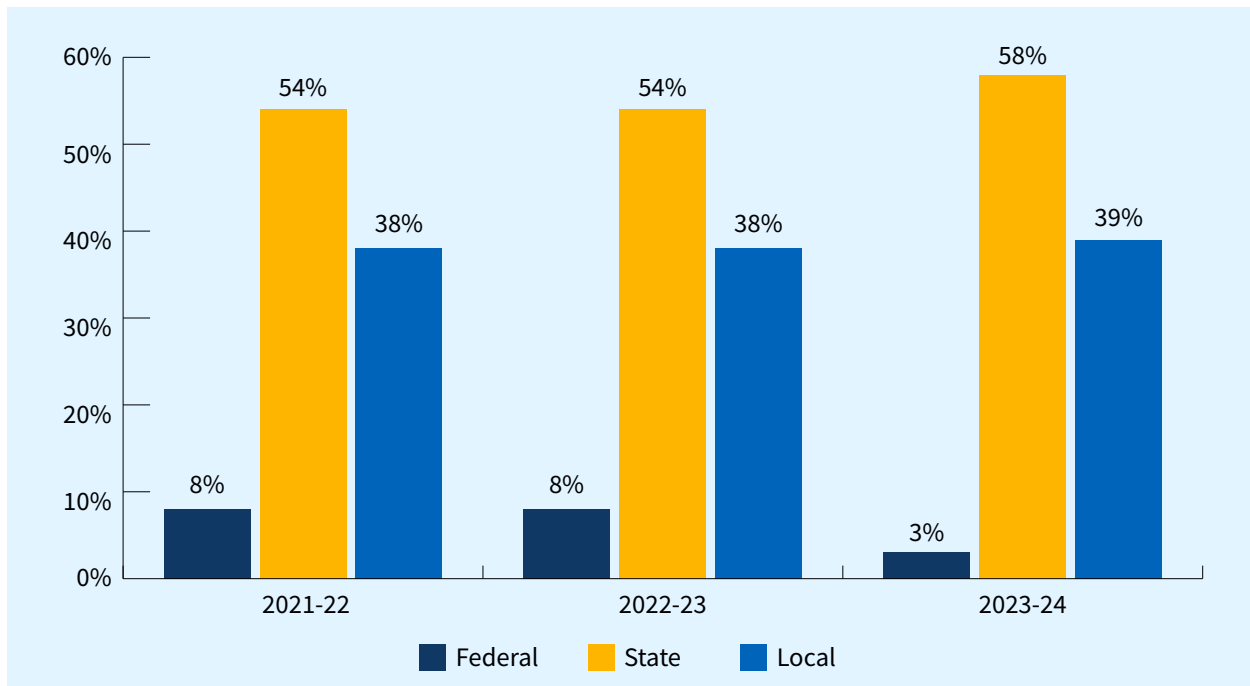
Table 4: 2023-24 Expanded Uses of Proposition 20 Lottery Funds

Expenditure Type	Instructional & Support Restricted
Instructional Supplies and Materials: For laptops, hotspots, internet devices	\$151,905
Noninstructional Supplies and Materials: For basic needs - food	28,578
Noninstructional Supplies and Materials: For basic needs - housing	-
Other Outgo: Direct Aid to Students	949,699
Total Expenditures	\$1,130,182

1 Other Activities include community services, ancillary services, auxiliary operations, etc.

2 Other Expenses include additional equipment, library books, etc.

Figure 5: Total General Fund Percentage by Funding Source



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San Diego Mesa College

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Chaffey College

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